

Needs Assessment

On December 13, 1996, the Ecosystem Roundtable formed an ad-hoc needs assessment group¹ to assess the human, financial, and other resources that will be needed to coordinate existing and anticipated state, federal and stakeholder funds for ecosystem restoration and to annually select projects to be funded. This revised draft builds upon a previous draft circulated at the Ecosystem Roundtable meeting on January 21.

I. KEY ASSUMPTIONS

The following are the key assumptions regarding the scope and duration of the needs identified in this document:

- A. The Ecosystem Roundtable is an interim stakeholder forum, advisory to BDAC and CALFED, who's role and function will be supplanted by a variety of new institutional arrangements as part of the CALFED long-term solution. Accordingly, any needs identified here, as well as any solutions proposed, are necessarily interim in nature. Above all, they cannot and will not be used to forestall or supplant the development or implementation of a long-term arrangement.
- B. The Roundtable will be advising CALFED and BDAC on matters relating to the expenditure of state, federal and stakeholder Category III funds as well as portions of the CALFED Bay-Delta Ecosystem Restoration funds authorized by Proposition 204 and H.R. 4236². In addition, the Roundtable will be advising CALFED and BDAC on coordination of:
 - 1) Closely-related funds including state, federal, and user-contributed funds under the CVPIA, 4-Pumps mitigation monies, Tracy fish agreement mitigation monies, and Proposition 204 funds under the Delta Levees, Delta Tributary Watersheds, River Parkways, and Sacramento Valley Water Management accounts,

¹ Workgroup members include Nat Bingham, Rich Golb, Cynthia Koehler, Jason Peltier, Tim Quinn, Allen Short, David Yargas, Bill Gaines, and Gary Bobker.

² There will be direct CALFED decision-making on future stakeholder contributions to Category III and on the \$60 million in the Bay-Delta Agreement Subaccount of Prop 204 pursuant to conforming language provided by Article 78536.5. There is also the expectation of direct CALFED decision-making on federal funds allocated under H.R. 4236 but appropriations are pending and so final legislative language is not yet available.

- 2) Other funding sources which can provide cost sharing on actions consistent with the CALFED Ecosystem Restoration Program Plan such as EPA 319 grants and NRCS Farm Bill programs.

II. OVERALL NEEDS

CALFED, acting upon the advice of the Roundtable and BDAC, will need to rely upon some combination of new and existing staff in the Bay-Delta Program and in the individual CALFED agencies as well as outside consultant services to accomplish the following the tasks described below.³ In accomplishing these tasks, the Roundtable and BDAC will be advisory to CALFED⁴.

A. Financial Activities needed to maintain financial accountability:

- 1) Administer stakeholder contributions and, potentially, state and federal contributions to Category III.
- 2) Maintain detailed financial records on all administered funds.
- 3) Prepare quarterly financial statements on all administered funds.
- 4) Develop and maintain a database of Bay-Delta ecosystem restoration funds including funds available, funds expended on related projects and programs, and funds projected to be available in future years.
- 5) Comply with applicable fund management, reporting and auditing requirements.

B. Planning process to develop and select actions to restore the Bay-Delta ecosystem:

- 1) Develop near term ecosystem restoration priorities. (Implementation Strategy)

³ All decisions relating to the above tasks and resources to accomplish them will remain with CALFED with advise from the Roundtable.

⁴ At least several workgroup members feel that some degree of independent Roundtable staff and/or consultant capability would be helpful in providing such advice. CALFED will seek Roundtable input on staffing and needed work products but has no expectation that the Roundtable would have independent staff.

- 2) Develop an interim program (3 to 5 Year Workplan) using technical experts, that identifies the actions needed to address the priorities including research, projects and programs.
- 3) Develop recommendations on cost sharing with all relevant funding sources including state, federal, and other programs.
- 4) Establish criteria to evaluate individual funding proposals.
- 5) Develop monitoring standards to ensure that individual funding proposals are integrated into an adaptive management cycle.
- 6) Develop appropriate process to have outside technical review of steps 1 through 4 and other parts of program as needed.
- 7) Develop and administer an annual RFP process to solicit proposals from CALFED agencies and from others for all administered funds.
- 8) Establish RFP schedules that are synergistic with other funding programs.
- 9) Develop and implement a process to review and evaluate individual funding proposals based on program priorities (1 & 2) and criteria (4).
- 10) Identify and promote opportunities for cooperative, multi-source project funding to assure that selected projects are funded at levels that will allow for completion.
- 11) Develop recommendations specific to each proposal.
- 12) Develop recommendations for funding for research projects that are applied research in nature and useful for adaptive management decisions.
- 13) Establish funding protocols that ensure that projects are funded in full for each phase and which allow for phased funding opportunities for preliminary design, environmental compliance, construction, and monitoring.
- 14) Where appropriate, commit to funding for multi-year projects.
- 15) Establish policies that allow for termination of research or construction projects that prove unworthy.

C. Grant making/contract development and administration to implement selected projects

and programs:

- 1) Develop, oversee, and administer contracts for selected projects.
 - 2) Receive, review and determine the adequacy of all deliverables, products, and invoices.
 - 3) Review financial records on each such award.
 - 4) Insure that contract deliverables state tasks and milestones associated with contract implementation.
 - 5) Work with cost-share partners to identify funding for specific tasks to ensure each task is funded but by only one program.
 - 6) Require applicants to use competitive bid process for construction projects as appropriate.
 - 7) For each project, identify one qualified project manager who is responsible for project oversight.
 - 8) Include monitoring requirements in each project.
 - 9) Address cost overruns and other complications.
- D. Coordination of ecosystem planning processes and programs to increase effectiveness of individual programs.
- 1) Based on experience of Ecosystem Roundtable, provide recommendations to Assurances Workgroup and Ecosystem Restoration Workgroup on development of long term institutional alternatives for ecosystem restoration.
 - 2) Develop reserve fund policies as appropriate.
 - 3) Prepare an annual financial and programmatic report on Bay-Delta Ecosystem Restoration activities under Proposition 204, H.R. 4236, and related authorities. Include information on how funds were leveraged with matching funds, challenge grants, and all relevant private funding sources.
 - 4) Based on experience of Ecosystem Roundtable, provide recommendations to negotiators working on long term cost share agreement.

5) Evaluate goals, targets, and policies of ecosystem restoration programs on an annual basis to determine changes in implementation objectives and progress towards goals.

E. Monitoring, evaluation and adaptive management

1) Develop and implement an effective program of monitoring and evaluation to inform task D5 above.

2) Develop recommendations on standardized monitoring protocols including gear and methodology to insure credibility.

3) Evaluate operational changes and restoration activities to assess incremental benefits.

4) Provide quantitative assessment of natural and man-made changes that have adversely or positively affected fish and wildlife habitat. An example would be an assessment of the geomorphological changes caused by recent flood events.